



LUEN CHEONG TAI INTERNATIONAL HOLDINGS LIMITED

聯昌泰國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

FURTHER DELAY IN INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH NOVEMBER 2001 AND EXCEPTIONAL VOLUME MOVEMENT

The interim results announcement of Luen Cheong Tai International Holdings Limited for the six months ended 30th November 2001 will be further delayed for the third time to on or before 11th July 2002. The interim report is expected to be dispatched within a week thereafter.

The directors of the Company acknowledge that they have breached paragraphs 10(1) and 11(6) of the Listing Agreement and that The Stock Exchange of Hong Kong Limited reserves its rights to take appropriate actions against the Company and its directors in respect of the breach.

The Board has noted the increase in the trading volume of the shares of the Company on 28th June 2002 and wishes to state that it is not aware of any reason for such increase, save as the further delay in interim results announcement disclosed above, and the legal proceedings, the final results for the year ended 31st May 2001, the statutory demands and the winding up petition disclosed in the Company's previous announcements of 17th June 2002, 12th June 2002, 6th June 2002 and 27th May 2002 respectively.

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

I. Further Delay in Interim Results Announcement

Further to the Company's announcements of 24th May 2002 and 1st March 2002, the Directors of the Company (the "Board") announce that there will be a further postponement for the third time in the announcement of the unaudited interim results of the Company for the six months ended 30th November 2001 to on or before 11th July 2002. The interim report is expected to be dispatched to the Shareholders within a week thereafter.

The Company and its subsidiaries (the "Group") have applied most of their resources previously to ensure that the release of the final audited results of the Group for the year ended 31st May 2001 on 12 June 2002 without further delay. As such, there has been delay in the preparation of the management accounts of a major subsidiary of the Company, Luen Cheong Tai Construction Company Limited, for the six months ended 30th November 2001. The annual turnover of the said subsidiary amounted to approximately HK\$232 million for the year ended 31st May 2001 and its net asset value at 31st May 2001 was HK\$37 million, i.e. amounting respectively to approximately 78% of the Group's annual turnover of HK\$296 million for that year and 27% of the Group's net asset value of HK\$139 million at 31st May 2001 as reflected in the Group's latest audited accounts for the year ended 31st May 2001. The timely preparation of the accounts is further affected by unforeseen staff changes involving the leaving of experienced accounting and supporting staff. New replacement staff are being recruited, but require a reasonable amount of time for learning and training to familiarize themselves with the Group's policies and procedures.

The Board regrets for the postponement, and will closely monitor the progress to ensure that the new target date of 11th July 2002 will be met without further delay, which is attainable in the view of the Directors. Mindful of their responsibilities and the importance to release the Company's result announcements on a timely basis, the Directors will consider the possible upgrade of the accounting system and the recruitment of additional accounting officers for the Group in the near term to achieve the aforesaid objective.

Pursuant to the Listing Agreement, the unaudited interim results for the six months ended 30th November 2001 (the "Interim Results") is required to be released and the interim report dispatched on or before 28th February 2002. The directors of the Company acknowledge that they have breached paragraphs 10(1) and 11(6) of the Listing Agreement and that The Stock Exchange of Hong Kong Limited reserves its rights to take appropriate actions against the Company and its directors in respect of the breach.

The directors of the Company have respectively confirmed that they have not dealt in the shares of the Company since 24th August 2001 and have also undertaken not to deal in the shares of the Company until the publication of the Interim Results.

II. Exceptional Volume Movement

The Board has noted the increase in the trading volume of the shares of the Company on 28th June 2002 and wishes to state that it is not aware of any reason for such increase, save as the further delay in interim results announcement disclosed above, and the legal proceedings, the final results for the year ended 31st May 2001, the statutory demands and the winding up petition disclosed in the Company's previous announcements of 17th June 2002, 12th June 2002, 6th June 2002 and 27th May 2002 respectively.

Except for the above and the proposed acquisition of Shenzhen Baker and the proposal disposal of a subsidiary, Finestyle Investments (Suriname) N.V. disclosed in the announcements of 19th April 2002 and 29th April 2002 respectively, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

This statement is made by order of the Board of which the directors individually and jointly accept responsibility for the accuracy of this statement.

Shareholders of the Company and the public are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Luen Cheong Tai International Holdings Limited
Chan Man Chuen
Chairman